

Q1 profitability remained high

Aspo's Q1 results clearly topped estimates, however the previous full-year guidance is retained for now as much uncertainty persists around Telko's H2.

- Aspo Q1 revenue was EUR 160.4m vs the EUR 132.2m/135.6m Evli/consensus estimates.
- EBIT landed at EUR 10.3m, compared to the EUR 8.0m/7.6m Evli/consensus estimates. There were a total of EUR -4.9m in items affecting comparability, and Aspo's adjusted EBIT amounted to EUR 15.0m.
- ESL's revenue was EUR 56.8m vs our EUR 50.9m estimate, while EBIT was EUR 7.9m vs our EUR 7.5m estimate.
- Telko's top line amounted to EUR 75.9m, compared to our EUR 58.1m estimate. EBIT was EUR 4.0m vs our EUR 1.8m estimate. There were a total of EUR -4.6m in items affecting comparability, and adjusted EBIT was EUR 8.6m. Telko's Q2 performance should remain strong, but the situation for H2 is unclear.
- Leipurin revenue was EUR 27.7m, compared to our EUR 23.2m estimate, while EBIT came in at EUR -0.4m vs our EUR 0.1m estimate. Items affecting comparability amounted to EUR -1.1m, adjusted EBIT being EUR 0.7m.
- Other operations cost EUR 2.5m, compared to our EUR 1.4m estimate, including e.g. EUR 0.5m in extraordinary compensation to the former CEO.
- Aspo retains its guidance and expects FY '22 EBIT in the EUR 27-34m range.

Rating				🟡 HOLD
Q1'22	Actual	Evli	Year ago	Q4'21
Revenue	160.4	132.2	129.4	150.1
EBIT	10.3	8.0	7.8	11.8
EBIT-%	6.4 %	6.1 %	6.0 %	7.9 %
PTP	8.5	7.2	6.9	10.9
EPS	0.21	0.20	0.19	0.28
Share price, EUR (Last trading day's closing price)				7.04
Target price, EUR				8.0
Latest change in recommendation				07-Apr-22
Latest report on company				07-Apr-22
Research paid by issuer:				YES
No. of shares outstanding, '000's				31,420
No. of shares fully diluted, '000's				31,420
Market cap, EURm				221
Free float, %				-
Exchange rate EUR/RUB				-
Reuters code				ASPO.HE
Bloomberg code				ASPO FH
Average daily volume, EURm				0.2
Next interim report				04-May-22
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🟢 BUY 🟡 HOLD 🔴 SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2020	500.7	16.7	3.3%	47.5	0.34	24.4	0.8	25.2	18.0	0.35
2021	573.3	36.9	6.4%	9.3	0.90	12.6	0.9	13.8	2.6	0.23
2022E	540.6	32.4	6.0%	53.1	0.80	8.8	0.6	10.1	24.0	0.45
2023E	562.1	38.2	6.8%	46.8	0.99	7.1	0.5	7.7	21.2	0.50
2024E	576.4	45.8	7.9%	53.5	1.20	5.9	0.4	5.6	24.2	0.72
Market cap, EURm	221			BV per share 2022E, EUR		72.7	CAGR EPS 2021-24, %		9.9	
Net debt 2022E, EURm	107			Price/book 2022E		1.5	CAGR sales 2021-24, %		0.2	
Enterprise value, EURm	328			Dividend yield 2022E, %		6.4	ROE 2022E, %		18.1	
Total assets 2022E, EURm	384			Tax rate 2022E, %		10.0	ROCE 2022E, %		11.1	
Goodwill 2022E, EURm	40			Equity ratio 2022E, %		38.3	PEG, P/E 22/CAGR		0.4	

All the important disclosures can be found on the last pages of this report.

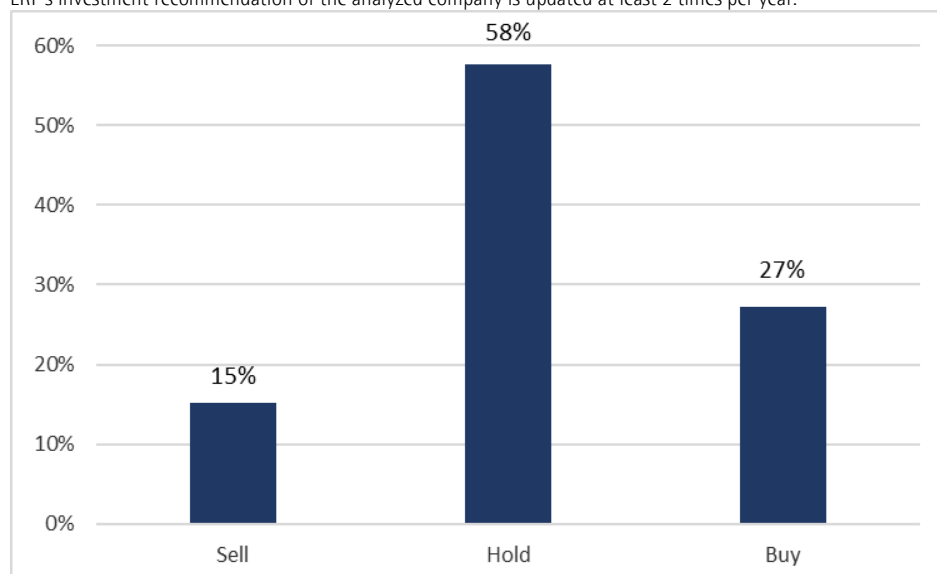
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Ilvonen

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